



CITY OF OREM – “GOOD LANDLORD PROGRAM” REVIEW

Development Services Department

Background Information

The Good Landlord Program is an incentive program that aims at addressing aspects of property management that may encourage the elimination of code violations and public nuisances while controlling and preventing illegal activity on rental properties that affect the quality of life within our neighborhoods.

The Good Landlord program is used in many municipalities in Utah to build more awareness that prevention really does reduce, and may even eliminate, crime and unprofitable ventures associated with apartment ownership. Participating in the program proves to enhance property values by decreasing not only crime but also poorly maintained and improperly operated rental properties.

Cities noticed that the properties that incurred a larger proportion of calls from public safety were rental properties. In an effort to curb the costs of service calls many municipalities decided to require rental properties to obtain a business license. By State law the maximum amount a municipality can charge a rental property is seventeen dollars (\$17.00) a year. However, if municipalities do their own independent research and determine the costs of rental properties to be higher, then higher fees would be justifiable.

Cities pay independent consultant to conduct the study and determine the adjusted fees for the incurred costs of the rental properties. These fees differ in each community, but can be upwards of one hundred seventy dollars (\$170) a year per unit, which can add up quickly for rental owners with a lot of properties. To reduce the new fee for rental owners, they implemented an incentive that benefits both the renter and the community. The Good Landlord program brings the cost to the rental owner down substantially by requiring them to enroll in classes that educate them on how to better manage their properties. It also includes constraints on who they can rent to. Background checks, credit checks, and references are just some of the requirements that rental owners must do when filling vacancies in their rentals. This makes communities safer by only allowing those without serious criminal behavior to rent in their area, thus reducing the disproportionate public safety calls to rental properties.

If a Good Landlord program is implemented in the City of Orem an additional staff member would be needed to administer the program. The amount of rentals and apartments managed with a Good Landlord program would be significant and would necessitate an additional staff person to accomplish the increased work load.

In addition, the cost of a disproportionate fee study would also be required by state law prior to any consideration to implementation a Good Landlord program in the City. The study would cost between \$15,000-\$20,000.

Following is a list of cities in Utah that currently implement the program and what their fees are:

City	Renter Business License Fee	Business License Fee after Good Landlord class completion	Study Cost	Class Cost
Ogden	Single \$156/yr	\$13		\$59
	Duplex \$140/yr	\$12		
	Owner occ D or T \$35/yr	\$3		
	Apartments \$83/yr	\$83 for 1 st bld then \$10 per bld (or \$7 per unit)		
West Valley City	All Types \$100 Base + \$94/unit/yr	\$100 base + \$20	\$7,000	\$59
West Jordan	Single - \$200/yr	\$7		\$59
	Duplex + - \$65/unit/yr	\$7		
	Multi Fam - \$70/unit/yr	\$7		
	Condo Rental - \$60/unit/yr	\$7		
Clearfield	Base Fee - \$190/yr	Base Fee - \$30		\$59
	Unit Fee - \$27	Unit Fee - \$5		
Midvale	Base Fee - \$190/yr	Base Fee - \$30		\$59
	Unit Fee - \$27	Unit Fee - \$5		
Taylorsville	Single Family - \$20	Single Family - \$0		\$59
	Unit Fee - \$90	Unit Fee - \$15		
South Salt Lake	Single Family - \$375/per/yr	\$30 Base + 30/per unit		
	Duplex/Tri - \$101/per/yr	\$40 Base + 30/per unit		
	Owner Occ - \$60/per/yr	\$24 Per		
	Multi - \$150 Base + \$151/per/yr	\$100 base +30/per/yr		
Salt Lake City	All Units - \$348	All Units - \$20		\$59

Information comes from the Utah Apartment Association website:

<http://www.uaahq.org/good-landlord-program.php>